

#### **Annual Internal Review**

This report covers the time period of 7/1/2019 to 6/30/2020

# Robert Mueller Municipal Airport Plan Implementation Advisory Commission

#### The Board/Commission mission statement (per the City Code) is:

Advise the City Council on implementation of the Robert Mueller Municipal Airport Master Plan, the 1996 Robert Mueller Municipal Airport Process and Goals Task Force Report, and other redevelopment issues at Robert Mueller Municipal Airport, including proposed amendments to the Master Plan, land disposition strategy, traffic, urban design and zoning issues, demolition of existing facilities; and at the request of the City Council, make recommendations on amendments to the Master Plan and other matters related to Robert Mueller Airport redevelopment. Section 2-1-169 of the City Code.

The Robert Mueller Municipal Airport (RMMA) Plan Implementation Advisory Commission (PIAC) was created in 2000 to provide oversight at a time when the Redevelopment and Reuse Plan for Mueller had been accepted, and the City was preparing to seek a master developer. In 2002 the master developer, Catellus, was selected and approved by City Council, and in December of 2004, the Master Development Agreement (MDA) between the City of Austin and Catellus was approved by City Council and executed. Because the MDA contractually obligates the City and Catellus to develop the property per the provisions in the agreement, the practical role of the PIAC has evolved to encompass the following:

- 1. Advise Council on items that come before Council, including those needing formal approval, such as proposed zoning revisions;
- 2. Advise Council on any items that require Council approval stipulated in the MDA, such as selling land within the Mueller boundary to another governmental entity;
- 3. Advise Council on bigger picture topics that may impact the ability to implement the plans as fully anticipated, such as, but not limited to, transit or Interstate 35 improvements; and
- 4. Serve as a venue for the master developer and City staff to report progress, hear concerns and receive feedback. This last role is paramount and provides a unique opportunity to problem-solve as Catellus, together with the community and City staff, work to implement the Mueller vision.

# **Background**

The plans to redevelop the airport were guided by a vision and goals developed with extensive community input. In 1996, a Council-appointed 16-member task force representing a broad spectrum of Austin interests called for the creation of a compact, pedestrian-oriented, and mixed-use community.

The task force challenged the City to create a district that would be a model for responsible urban development - an alternative to land-consumptive and automobile-dependent development patterns throughout the region that could influence the form and pattern of growth within Austin as it entered the new millennium. With this vision, the task force and the City Council articulated some clear goals, stating the redevelopment of RMMA must marshal long-term market forces through an effective public-private partnership to promote:

- o *Fiscal Responsibility:* Redevelopment must create a positive revenue stream that will fund on-site infrastructure and increase the City's tax base for the benefit of all citizens.
- o *Economic Development:* The project should serve to reinforce Austin's role in an increasingly global marketplace and create a wide range of employment opportunities for a diversity of the community's citizens.
- o *East Austin Revitalization:* The project must promote economic development opportunities within East Austin, giving local residents a direct stake in redevelopment.
- o *Compatibility with Surrounding Neighborhoods:* Development must maintain and enhance the quality of life in adjacent neighborhoods, providing complementary linkages, land uses and transportation patterns.
- o *Diversity:* Redevelopment must offer a wide range of housing choices in order to create a new community of socially and economically diverse residents.
- o *Sustainability:* Development should be planned in a way that promotes energy and water efficiency, environmental quality, reduced auto dependency, watershed protection and green space preservation.

In 1997, the City initiated the redevelopment master planning process that included comprehensive public participation at all stages of the work. Specific planning principles were established that became the structuring elements of the master plan to support a vision of a new community within a community—one that is welcoming, diverse and inclusive, that complements and extends the surrounding neighborhoods and that becomes an integral part of the urban and social fabric of Austin.

Redevelopment of the airport was also intended to achieve broader public objectives for economic development and revitalization, helping to overcome the perceptual barrier of the IH-35 freeway, and providing an alternative to the outward expansion of the City.

In 2000, the City Council accepted the "Robert Mueller Municipal Airport Redevelopment and Reuse Plan" and directed implementation of it, which subsequently led to the solicitation for a Master Developer for Mueller. Today, the Mueller Design Book serves as the Master Plan and encompasses and incorporates the 2000 Redevelopment and Reuse Plan along with refinements that have been made to the Plan since its adoption.

#### 2019 PIAC Activities

The following is a summary of the past year's activities by the PIAC toward implementation of the Master Plan:

- 1. Describe the board's actions supporting their mission during the previous calendar year. Address all elements of the board's mission statement as provided in the relevant sections of the City Code.
- The Commission supported a resolution encouraging Council approval of an amendment to the Mueller PUD during the October 8, 2019 meeting. The PUD amendment raised the cap on commercial office space by 550,000 square feet and potentially allows an additional 1,005 housing units and 335 affordable housing units (1,340 total). Catellus is still bound by the project's overall trip caps. The Council approved the PUD amendment on January 23, 2020.
- o The Commission received an update during the October 8, 2019 meeting on the status of Minority and Women-Owned Business Enterprise (MBE/WBE) outreach efforts for the Mueller development. At the time of the briefing, more than 90 minority and womenowned businesses had been awarded contracts worth \$44.9 million. The contract total represents 26.8 % percent of the contracts awarded by Catellus since the inception of the Mueller project.
- o The Commission received a briefing from the Economic Development Department on the financing of the Mueller development during the November 12, 2019 meeting. The Mueller finance report indicates the annual (2018) TIF revenue of \$6.2 million exceeds the project's \$4.5 million annual debt service. City economic department officials testified to financial strength of the project in its ability to support the TIF.
- o The Commission also received an update during the September 10, 2019 meeting from the Mueller Foundation regarding the status of the Affordable Housing program. Since the program's inception, the Foundation has sold 485 affordable homes to qualified buyers. An additional 762 units have been contracted for rent to qualified renters.
- Austin Independent School District officials briefed the Commission during the January
   14, 2020 meeting on plans for the new 800-student middle school to be built in Mueller.
- o The Commission received briefings on the construction plans for the new Austin Energy headquarters building at Mueller during the June 11, 2019 meeting. Although the cityowned 275,000 square foot building did not require PIAC input before Council approval, the commissioners did encourage Austin Energy officials to incorporate public activities and access on the building's ground floor.

- The Commission passed a resolution in favor of Council approval of the sale of a 3.7-acre site to the Teacher Retirement System (TRS) for use as the new TRS state headquarters at the March 10, 2020 meeting. The proposed building would serve as the workplace for 1,100 employees. The Commission approved the resolution on a 6 to 2 vote with two commissioners recusing themselves and one commissioner absent.
- O The Commission was briefed on the status of the Habitat for Humanity project at Mueller. Habitat representatives reviewed their plans to build 11 affordable row homes to be completed in the fall of 2020. The project is Habitat's first row home site in the Austin area and the Mueller design may become a model for other Habitat projects in densely populated neighborhoods.

# 2. Determine if the board's actions throughout the year comply with the mission statement.

The briefings on the Habitat for Humanity row house project, the Mueller Foundation update and the housing affordability initiative review support the Master Plan goal of affordability. The briefing on the Mueller project's financial status support the goal of fiscal responsibility. The briefing on Minority and Women-Owned Business Enterprise outreach efforts for the Mueller development support the goals of economic development and East Austin revitalization. The Commission resolutions on the PUD amendment and the TRS headquarters project support the fiscal responsibility goal.

### 3. List the board's goals and objectives for the new calendar year.

Our Commission was created when the closure of Austin's Robert Mueller Municipal Airport (RMMA) presented the opportunity to redevelop the site, following concepts imagined by the community and the City's consultant, leading to the creation of the RMMA Master Plan. The Commission is charged with advising the City Council on the implementation of that plan. For calendar year 2020, the Commission will also continue to serve both as a venue for public input and for the dissemination of information regarding Mueller. When appropriate, we will advise the City Council on Mueller's redevelopment as informed by the six community aspirations established by the 1996 RMMA Process and Goals Task Force:

# **Fiscal Responsibility**

The Commission will request updates from the Financial Services and Economic Development Departments on Mueller's overall project costs and its tax increment financing (TIF) debt to ensure the revenue stream continues to adequately fund on-site infrastructure; that the City of Austin faces minimal financial risk to the TIF, especially in light of the COVID-19 pandemic's impact on sales and property taxes and on new commercial and residential construction; and that the redevelopment will benefit the City's tax base once Mueller's TIF debt is retired.

# **Economic Development**

The Commission may request updates on the types of business recruited to and locating at Mueller to ensure they offer a variety of employment opportunities in line with Austin's position in the global marketplace. We will inquire on the status of the good faith effort that a 30% minimum of businesses in Mueller's Town Center be local, on the Minority & Women Owned Businesses (MWBE) contracting and employment goals as required by the MDA, and on the health of Mueller's commercial and institutional entities in light of the economic impacts of the COVID-19 pandemic, including the recently proposed Teacher Retirement System building.

#### **East Austin Revitalization**

Early in Mueller's redevelopment discussions, the community expressed the desire to preserve Mueller's iconic Control Tower and historic Hangar. The Commission will continue to ask for updates on any progress towards the opening to the public of the Tower, for the Hangar's disposition and reuse, and that Catellus seek public input for the programming and planning of both the Tower block and the Hangar's immediate surroundings.

The Commission may seek information on where those employed at Mueller reside to determine if the east Austin community is benefiting as envisioned and will encourage the solicitation of local businesses to locate at Mueller to offer services, goods and employment opportunities not readily available in the area.

# Compatibility with Surrounding Neighborhoods

The Commission remains dedicated to land uses at Mueller that are complementary to the adjacent neighborhoods and streets that provide safe, multi-modal connections & mobility to the larger Austin community. We will call for updates from the City of Austin Transportation Department regarding the pandemic's effect on the progress of the E. 51st Street Mobility Improvement Project, and on any proposed transit development that might affect or improve Mueller's accessibility as the redevelopment nears completion.

Many aspects of the planned Austin Independent School District middle school at Mueller fall outside of the City's jurisdiction, but the Commission will request information on its progress and advocate for collaboration between AISD and other appropriate entities for potential civic or joint-use facilities near the school as noted in the MDA and shown on Mueller's illustrative plan.

Similarly, we may request an update from University of Texas staff regarding the status of UT's Mueller campus master plan for the leased 15-acre site at Mueller and its integration with the E. 51st Street Mobility Project, along with any new information on buildings, services and programs that may provide benefits to the community

### **Diversity & Affordability**

The Commission will request the annual update on the Mueller Foundation's audit and the affordability program's sustainability. Commissioners will support continuation of the successful efforts in exceeding the goal that at least twenty-five percent of Mueller's dwelling units be initially affordable, advocate for efforts to preserve long-term affordability, and encourage the promotion of Mueller's success as an example for increasing affordability options in Austin. We

may also ask if there is data available to support a greater mix of market-rate housing types that could provide more socio-economic diversity at Mueller.

Though limited by jurisdictional constraints, we will urge continued communication between the City of Austin, Travis Central Appraisal District, and the Mueller Foundation to maintain long-term affordability.

# **Sustainability**

The Commission will request updates on best practices for sustainable development, park planning, energy & water conservation and watershed protection. We will continue to support alternative transportation solutions within, through, and to Mueller, and may seek data on Mueller's existing and expected workforce to explore how their housing, utility, transportation and daily needs may be better accommodated. As always, the Commission will promote how the planning successes at Mueller could provide examples for better land-use options throughout the City of Austin and beyond.

With redevelopment nearing completion, the Commission has formed a working group to review Mueller's MDA and goals, to consult with staff, Catellus and the community to better understand the transition process regarding oversight & governance functions and the continuation of community venues and events that Catellus and Mueller now offer, and to formulate recommendations for Mueller beyond the MDA, when that time comes.